

Chair Boyle called the regularly scheduled meeting to order at 10:03 a.m. with Commissioners Boyle, Lowell Johnson, Rod Johnson, Landis and Vap present.

GENERAL ADMINISTRATION

Notice was duly published August 19, 2003, on Page 6 of The Daily Record that the regular public meeting of the Commissioners of the Nebraska Public Service Commission would be held August 26, 2003, at 10:00 a.m. in the Commission Hearing Room, 300 The Atrium, 1200 N Street, Lincoln.

Attention was called to the following proceedings:

Tuesday, August 26, 2003:

- 9:00 Commission Hearing Room, Lincoln.
Schedule A and E Rates. Commissioner Vap chairing.
- 1:30 Commission Hearing Room, Lincoln.
Receive a report from the Statewide Synchronous Video
Network Work Group on activities and recommendations.

Wednesday, August 27, 2003:

- 8:30 Commission Library, Lincoln.
E911 Advisory Board Meeting.

Thursday, August 28, 2003:

- B-1441 Commission Library, Lincoln, and Kearney Public Library,
8:30 2020 First Avenue, Kearney. R & F Hobbies, Inc., Ravenna,
seeking to acquire, through transfer, the authority granted
to Roland C. Gressley, dba Aquila Limo Service, in Certifi-
cate B-1432. Commissioner Vap chairing.
- 10:30 Commission Hearing Room, Lincoln.
NG-0004 Aquila, Inc., d/b/a Aquila Networks (Aquila), seeking a
waiver of notice and publication and to implement supply
cost adjustment rate schedules for Aquila's Rate Area One,
Rate Area Two and Rate Area Three. Commissioner Landis
chairing.

COMMUNICATIONS DEPARTMENT

- SC-004 In the Matter of Maurice Gene Hand, Director, Communica-
tions Department, Nebraska Public Service Commission, vs.
Lightyear Communications, Respondent: Upon agreement of all Commis-
sioners, an order was entered to dismiss the complaint as satisfied.

COMMUNICATIONS DEPARTMENT (Cont.)

C-2910 In the Matter of Lincoln Electric System, Lincoln, seeking contract carrier permit authority: Upon agreement of all Commissioners, Procedural Order No. 1 was entered to establish a proposed schedule and set a hearing for January 7, 2004, at 10:00 a.m. in the Commission Hearing Room, Lincoln.

C-2919 In the Matter of Allo Communications, L.L.C., Imperial, seeking designation as an eligible telecommunications carrier that may receive universal service support: Upon agreement of all Commissioners, the application was granted.

C-2970 In the Matter of the petition from residents of the Wilcox exchange, served by Great Plains Communications, requesting extended area service (EAS) to the Hildreth exchange, served by Citizens Telecommunications Company of Nebraska: Gene Hand informed the Commission that the usage study failed to meet traffic criteria in the rules. Upon agreement of all Commissioners, the application was dismissed.

C-2971 In the Matter of the petition from residents of the Hildreth exchange, served by Citizens Telecommunications Company of Nebraska, requesting extended area service (EAS) to the Wilcox exchange, served by Great Plains Communications: Gene Hand informed the Commission that the usage study failed to meet traffic criteria in the rules. Upon agreement of all Commissioners, the application was dismissed.

C-2982 In the Matter of Business Telecom, Inc., Raleigh, North Carolina, seeking authority for approval of a Pro Forma transfer of control: Upon agreement of all Commissioners, the application was granted.

C-3005 In the Matter of the petition from residents of the Rushville exchange requesting extended area service (EAS) to Hay Springs exchange, both served by Great Plains Communications, Blair: Gene Hand informed the Commission that the petition passed rule and regulation requirements, the staff opened a docket and will notify Great Plains Communications to provide a traffic study.

C-3006 In the Matter of the petition from residents of the Hay Springs exchange requesting extended area service (EAS) to Rushville exchange, both served by Great Plains Communications, Blair: Gene Hand informed the Commission that the petition passed rule and regulation requirements, the staff opened a docket and will notify Great Plains Communications to provide a traffic study.

COMMUNICATIONS DEPARTMENT (Cont.)

C-2983 In the Matter of Qwest Communications, Denver, Colorado, seeking approval of a UNE-P Line Splitting amendment to an interconnection agreement previously approved in Application C-1752 with Nebraska Technology and Telecommunications, Inc., Omaha: Upon agreement of all Commissioners, the amendment was approved.

C-2984 In the Matter of Qwest Communications, Denver, Colorado, seeking approval of an Internet Access Services amendment to an interconnection agreement previously approved in Application C-2626 with Airwave Wireless Communications, Scottsbluff: Upon agreement of all Commissioners, the amendment was approved.

C-2985 In the Matter of Qwest Communications, Denver, Colorado, seeking approval of a Line Sharing Amendment to an interconnection agreement previously approved in Application C-1752 with Nebraska Technology and Telecommunications, Inc., Omaha: Upon agreement of all Commissioners, the amendment was approved.

Gene Hand discussed the National Association of Regulatory Utility Commissioners (NARUC) press release regarding the Federal Communications Commission (FCC) Final Order in the proceeding concerning its Triennial Review of the FCC's Unbundled Network Element (UNE) Rules.

Gene Hand discussed the Qwest press release announcing that South Sioux City and Dakota City residents can now receive Qwest high-speed digital subscriber line (DSL).

Gene Hand provided updated information on ALLTEL's July central office code assignments that will be effective in September.

Engineering Division

E-2014 In the Matter of Norris Public Power District, Beatrice, seeking authority to construct, operate and maintain an electric transmission line in Saline County: Upon agreement of all Commissioners, the application was granted.

E-2015 In the Matter of Loup River Public Power District, Columbus, seeking authority to construct, operate and maintain electric transmission lines in Platte and Madison Counties: Upon agreement of all Commissioners, the application was granted.

UNIVERSAL SERVICE FUND

NUSF-31 In the Matter of Pinpoint Communications, Inc., seeking designation as an Nebraska Eligible Telecommunications Carrier that may receive State Universal Service support: An Order was entered approving interim NUSF funding. Motion made by Commissioner Jerry Vap, seconded by Commissioner Lowell Johnson. Motion Passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.

NUSF-36 In the Matter of Allo Communications, LLC, requesting universal service support for supported services provided in Qwest exchanges: An Order was entered approving NETC status and interim NUSF funding. Motion made by Commissioner Jerry Vap, seconded by Commissioner Lowell Johnson. Motion Passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, Jerry Vap voting AYE.

Jeff Pursley reported on the Late-Filed Carrier Remittances Report. Late-handling fee assessments against Matrix and Z-Tel were approved without objection.

Jeff Pursley reported on the request from Qwest for production of documents from all ETCs. The deadline for carriers to file their objection to this request is September 4, 2003.

Jeff Pursley reported on carrier concerns regarding audit requirements and time constraints in NUSF-33.

E911 DEPARTMENT

PSAP-002.3 In the Matter of Douglas County PSAP, Omaha, seeking funding approval for recurring and non-recurring costs of Wireless E911 implementation: Upon agreement of all Commissioners, the application was granted.

PSAP 010.1 In the Matter of Hamilton County PSAP, Aurora, seeking approval of funding for recurring and non-recurring costs associated with implementation of Wireless E911: Upon agreement of all Commissioners, the application was granted.

PSAP018.1 In the Matter of Cheyenne County PSAP, Sidney, seeking funding approval for recurring and non-recurring costs of Wireless E911 implementation: Upon agreement of all Commissioners, the application was granted.

PSAP-026 In the Matter of Antelope County, Neligh, seeking funding approval for recurring and non-recurring costs of wireless E911 implementation: Upon agreement of all Commissioners, the application was granted.

E-911 DEPARTMENT (Cont.)

PSAP-027 In the Matter of Platte County/City of Columbus, Columbus, seeking funding approval for recurring and non-recurring costs of wireless E911 implementation: Upon agreement of all Commissioners, the application was granted.

NATURAL GAS AND WATER DEPARTMENT

NG-0001 In the Matter of Aquila, Inc., d/b/a Aquila Networks
NG-0002 (Aquila), Omaha, seeking a general rate increase for
NG-0003 Aquila's Rate Area One, Rate Area Two and Rate Area Three:
Laura Demman provided an overview of Planning Conference Order Appendix A, entered August 19, 2003. Upon agreement of all Commissioners, an order was entered granting Nebraska Municipal Power Pool's Petition of Informal Intervention.

NG-0008 In the Matter of Metropolitan Utilities District, Omaha, seeking authority for Competitive Natural Gas Provider authority in the state of Nebraska: Laura Demman discussed receipt of the filing and, also, that protests to the application must be filed on or before September 15, 2003.

Pipeline Division

P-0006 In the Matter of Aquila, Inc., Omaha, seeking resolution of a dispute under Neb. Rev. Stat. § 57-1306: The hearing previously set for a date later to be determined, was continued to September 22, 2003, at 9:00 a.m. at the Sarpy County Court House, County Boardroom, 1210 Goldengate Drive, Papillion.

RULES AND REGULATIONS

Rule and In the Matter of the Commission, on its own motion, seeking
Regulation to amend Title 291, Chapter 9, Pipeline Common Carrier
#157 Rules and Regulations, to adopt rules in accordance with
Nebraska Legislative Bill 790 [2003]: Laura Demman updated the Commission on comments filed in this matter.

GRAIN WAREHOUSE DEPARTMENT

The following shortages were discussed:

GW-666 Wheat corn, and milo at Crossroads Cooperative Association, Sidney

GW-1759 Soybeans, rye, and elbon rye at White Grain Company, Oakdale

GW-1850 Soybeans at Farmers Union Co-Operative Association, Gretna

GW-2030 Corn at Jirdon Agri Chemicals, Inc., Gering

GRAIN WAREHOUSE DEPARTMENT (Cont.)

GW-2112 In the Matter of John A. Fecht, Director, Warehouse Depart-
GWC-389 ment, Complainant, vs. James Nejezchleb dba Deweese Agri
Services, Deweese, Defendant: An order was entered dis-
missing the complaint as satisfied and the hearing previously sche-
duled for September 23, 2003, was cancelled.

TRANSPORTATION DEPARTMENT

B-1632 In the Matter of Vicente Baro, dba Baro's Taxi Service,
Columbus, seeking authority as a common carrier of passen-
gers by taxicab between points in Colfax County and between points in
said county on the one hand, and, on the other hand, points in
Nebraska over irregular routes. To include the transportation of
Health and Human Services clients and their subcontractors thereof.
RESTRICTION: The transportation of railroad train crews and their
baggage is not authorized: Upon agreement of all Commissioners, the
application was granted.

B-1633 In the Matter of Lexington Taxi Cab, Lexington, seeking to
acquire the authority, by transfer, of James Santana, dba
Lexington Taxi Cab, Lexington, in Certificate B-1543: Upon agreement
of all Commissioners, the application was dismissed.

B-1441 In the Matter of R & F Hobbies, Inc., Ravenna, seeking to
acquire, through transfer, the authority granted to Roland
C. Gressley, dba Aquila Limo Service, in Certificate B-1432: A video
hearing was set for August 28, 2003, at 8:30 a.m. in the Commission
Library, Lincoln, and the Kearney Public Library, 2020 First Avenue,
Kearney.

B-1615 In the Matter of Terry Lee Blakey, dba Need A Lift Trans-
portation, Omaha, seeking authority as a common carrier of
passengers in open class service between points in Cass, Douglas,
Sarpy and Washington counties by van over irregular routes: Upon
agreement of all Commissioners, an Order was entered granting the
protestant's motion to reopen the hearing. A hearing was scheduled
for September 4, 2003, at 10:00 a.m. in the Commission Hearing Room,
Lincoln.

Rate Division

MR-1009 In the Matter of the formation of an Ad Hoc Committee of
PI-70 voluntary industry members and Commission staff to develop a
standard format for the submission of the household goods
carrier's operational costs and expenses: The committee members were
announced and a meeting date was scheduled for October 17, 2003, at
10:00 a.m. in the Commission Library, Lincoln.

TRANSPORTATION DEPARTMENT (Cont.)

MR-930 In the Matter of Movers and Warehouse Division, Nebraska
Motor Carriers Association, Lincoln, seeking authority to
establish a fuel surcharge in Nebraska Official Household Goods Tariff
7-E: The fuel surcharge was retained at 18 cents per mile and the
taxi surcharge was increased to 30 cents per trip.

GENERAL ADMINISTRATION

The Commission approved the following invoices:

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| DAS - Materiel - Postage | \$ 399.64 |
| Attorney General | 334.95 |
| Larry Fauss | 800.00 |
| General Reporting | 263.25 |
| NAWC | 250.00 |
| Seedburo Equipment Company | 380.25 |
| Laura Demman | 569.09 |

NEBRASKA EQUIPMENT DISTRIBUTION PROGRAM

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| A.G.N. Sales | 322.05 |
| Aksarben TTD Service | 1,391.15 |
| Audiology Services & HAC, P.C. | 369.85 |
| Fontel Inc. | 318.30 |
| Grand Island Hearing Aid Center Inc. | 505.00 |
| Hamilton Telecommunications | 328.95 |
| McCook Pharmacy & Medical Supply | 181.94 |
| Professional Hearing Aid Services | 3,026.85 |
| R & J Enterprises | 879.30 |
| R & J Enterprises | 1,564.85 |
| Sherard Hearing Aid Center | 671.50 |
| Teltex | 8,818.17 |

Commissioner Rod Johnson moved that the Commission go into closed session to discuss personnel and litigation issues and Commissioner Lowell Johnson seconded the motion. Upon agreement of all Commissioners, the Commission went into closed session at 11:04 a.m.

Commissioner Rod Johnson moved that the Commission return to open session and Commissioner Lowell Johnson seconded the motion. Upon agreement of all Commissioners, the Commission returned to open session at 11:40a.m.

Upon agreement of all Commissioners, the Commission approved a letter to Governor Johanns nominating persons to serve as mediators in the Revolving Loan Fund litigation.

GENERAL ADMINISTRATION (Cont.)

Commissioner Landis moved to hire Miles Halcomb as the Natural Gas Director and Commissioner Vap seconded the motion. Commissioners Boyle, Lowell Johnson, Landis and Vap voted aye and Commissioner Rod Johnson was present, not voting. The motion passed and authorization was granted to hire Miles Halcomb as the Natural Gas Director.

The meeting adjourned at 11:45 a.m. with Commissioners Boyle, Lowell Johnson, Rod Johnson, Landis and Vap present. The next regularly scheduled meeting will be held on September 3, 2003, at 10:00 a.m. with an agenda to be available in the office of the Executive Director at 10:00 a.m. on September 2, 2003.

Chair

Executive Director